

What is predatory lending?

Predatory lending is dishonest lending. Predatory loans harm borrowers by making it difficult or impossible for them to keep up with payments. Borrowers may pay unnecessary fees and excessive interest charges. If they miss their payments, they risk losing their home.

Predatory lenders prey on people who are unfamiliar with the banking system. They target seniors, people of color, or anyone whose credit makes it hard to get a regular bank loan.

Not all loans are predatory. Borrowers who do not meet minimum credit standards usually pay higher interest rates. But no one should be a victim of price gouging and outrageous fees.

Do these tactics sound familiar?

Loan fees....going up?

All lenders charge fees for processing your loan. These fees average 2-3% of the loan amount. Did you pay more?

Are you under pressure?

Predatory lenders often use fast talk and legalese to avoid telling you exactly how much your loan will cost.

"Where's the loan we talked about?"

Did your loan terms change at the last minute? Does the loan sound different? Predatory lenders often use "bait and switch" tactics to trap you in a financial straitjacket.

Can you afford it?

Predatory lenders can fool you with low monthly payments that suddenly balloon or increase out of control.

New loans to cover old loans

Did your lender "rescue" you from a bad loan with a new bad loan? Predatory lenders like to offer a bigger shovel to dig a deeper financial hole.

Do you need credit insurance?

Did your lender force you to purchase credit insurance? Predatory lenders can trick their customers into buying this often expensive product.

A countywide coalition

The Seattle Office for Civil Rights and the Seattle Office of Housing are the lead agencies in a coalition formed to stop predatory practices.

To fight predatory lending, the Seattle/King County Coalition for Responsible Lending focuses on research, education, and finding remedies.



Do you believe your home lender discriminated against you? Call the Seattle Office for Civil Rights at (206) 684-4500. We can help you explore your options under the law. Our services are free, fair and impartial.

If we discover other issues concerning your home loan, we can point you in the right direction for help and good advice.



Does your loan sound too good to be true?

It may be a bad loan.

Did your lender pressure you to sign a loan document that you didn't understand?

Did the lender fees for your loan seem high?

Did your lender make verbal promises but never put them in writing?

Before you sign, know the bottom line.

For help with a bad loan, call the Seattle Office for Civil Rights at (206) 684-4500 TTY (206) 684-4503



Bad Loan Ahead!

Get help with
bad loans and
predatory lenders

Seattle Office
for Civil Rights
(206) 684-4500
TTY (206) 684-4503
www.seattle.gov/civilrights

Need help?

To report predatory lending:

Seattle Office for Civil Rights
(206) 684-4500 TTY (206) 684-4503
www.seattle.gov/civilrights

For affordable home assistance programs:

Seattle Office of Housing
(206) 684-0244

Throughout Washington State:

Office of Financial Institutions
1-800-372-8303
www.dfi.wa.gov

The City of Seattle also investigates allegations of
discrimination in: Employment
Contracting
Public Accommodations



City of Seattle
Greg Nickels, Mayor

Seattle Office for Civil Rights
(206) 684-4500 TTY (206) 684-4503

700 3rd Avenue, Suite 250
Seattle, WA 98104-1849

www.seattle.gov/civilrights



Are you the
target of a
bad lender?

It may be
illegal
discrimination

Predatory lenders
often target
people of color,
seniors and
immigrants.

Loans based on
race, national
origin, disability or
other protected
classes are illegal
discrimination.

If it happened to
you, you may be
able to file a
charge of illegal
discrimination.

Is it discrimination?

A loan officer makes repeated phone calls
to a 63-year old African American home-
owner. He urges her to refinance her
house at his special "neighborhood rates"
— which are higher than current market
rates.

A mortgage lender convinces a family
that speaks little English to refinance
their home loan on a yearly basis, and
pay hefty fees each time.

A loan officer spots a wheelchair user at
a home improvement workshop. The
lender promises low monthly payments
on a loan to pay for a wheelchair ramp.
The payments turn out to be more than
the disabled man's SSI income, and
eventually the lender seizes his house.

Loans based on people's race, disability,
national origin, age or other protected
class are illegal discrimination.

The Seattle Office for
Civil Rights can help!

Our Predatory Lending Specialist can
help free you from the grip of a
predatory lender.

We will sit down with you to review
your situation and all your paperwork.
You may be able to file a charge
against the lender under Seattle's
anti-discrimination laws.